



General Assembly

February Session, 2010

Amendment

LCO No. 5354

SB0025405354SD0

Offered by:

SEN. CRISCO, 17th Dist.

REP. FONTANA, 87th Dist.

To: Subst. Senate Bill No. 254

File No. 646

Cal. No. 215

**"AN ACT CONCERNING DISCLOSURE OF MAXIMUM
ALLOWABLE COSTS FOR PHARMACY REIMBURSEMENTS."**

1 Strike lines 1 to 10, inclusive, in their entirety and insert the
2 following in lieu thereof:

3 "Section 1. (NEW) (*Effective January 1, 2011*) (a) For each prescription
4 drug, prescription device, pharmacist services or prescription drug
5 and device and pharmacist services portion of a health benefit plan a
6 pharmacy benefits manager administers, such manager shall establish
7 and maintain a list of maximum allowable costs for generic
8 prescription drugs to be paid that are covered under such health
9 benefit plan. The pharmacy benefits manager shall update changes to
10 such list of maximum allowable costs on at least a monthly basis, or
11 more frequently as determined by such manager.

12 (b) Each pharmacy benefit manager shall establish and maintain a
13 process by which a participating pharmacy may request a review of
14 the maximum allowable cost for a generic prescription drug dispensed

15 by the pharmacy and shall post such process and updates to such
16 process on the pharmacy benefit manager's Internet web site. Each
17 pharmacy benefit manager shall notify each participating pharmacy
18 that such process is posted on such web site and shall provide such
19 manager's Internet address. Each pharmacy benefit manager that
20 receives a request for review from a participating pharmacy shall
21 acknowledge the receipt of such review, perform such review and
22 notify such pharmacy of such manager's determination regarding the
23 maximum allowable cost, not later than thirty days after such manager
24 receives such request.

25 (c) Upon request, the pharmacy benefits manager shall provide
26 electronically to a pharmacy participating in a network administered
27 by such manager relevant payment information for specific generic
28 prescription drugs for a plan sponsor serviced by such pharmacy.

29 (d) Such participating pharmacy shall maintain, as confidential, any
30 maximum allowable cost data, payment information or lists provided
31 by the pharmacy benefit manager and shall not disclose any such data,
32 payment information or lists to a third party or use any such data,
33 payment information or lists for any purpose without the express prior
34 written consent of the pharmacy benefits manager. A pharmacy
35 benefits manager harmed by a violation of this subsection may bring
36 an action for equitable relief, damages or both."